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ABSTRACT

This article uses the consolidated school system of the city of Charlotte and Mecklenburg County (North Carolina) as a strategic case study to theorize more fully the corporate role in contemporary school reform. It provides an integrative analysis of corporate participation in educational policy formation and implementation. After providing details of the Charlotte study, it presents a typology of business involvement in school reform. It then applies the typology in a concrete fashion to two specific educational policy initiatives in the Charlotte-Mecklenburg Schools. The first initiative was a planned complex of four technology-rich schools adjacent to the International Business Machines (IBM) facility in Charlotte. This program, originally called Education Village, was partially funded by a $2 million grant to the schools from IBM. The second initiative was ProjectFirst, a collaboration between IBM and the Charlotte-Mecklenburg Education Foundation. This project, staffed by Americorps volunteers, was designed to bring computers and technology specialists into some of the district's 22 middle schools that did not have new magnet programs. This case study illustrates why corporate involvement should neither be praised universally nor condemned uniformly. Many instances of involvement are quite helpful; others are benign, and some are actually harmful to communities and their public schools. Each corporate initiative or program plots along continua of philanthropic altruism and strategic self-interest, latent and manifest consequences, and dangers and benefits to schools and communities. The case study shows how long-term negative outcomes may result as the unintended consequence of a reform process whose design and implementation are permeated by a corporate agenda. It is possible that corporate involvement in the Charlotte-Mecklenburg schools may have a distinctly regional quality, since southern states tend to offer business more of a free hand. The importance of public discourse about corporate behavior is highlighted by this study. (Contains 2 tables and 60 endnotes.) (SLD)

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International Business Machinations:
The Consequences of Corporate Involvement in Public School Reform

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Introduction

Local, state, and national business leaders have a long history of participating in the formulation of educational policy in the U.S. The intensity and type of their involvement have varied by region and historical period.[1] The economic crisis of the 1980s reinvigorated corporate leaders' interest in public education, and they have been active in reform efforts since then. This article examines a current local manifestation of the corporate role in educational restructuring. It reports a case study of one community's experiences with intense business involvement in school reform. The community is Charlotte, North Carolina, where national and local leaders of IBM and other firms participate intimately in the formulation of educational policy.

In order to understand the successes and failures of any school reform process, it is necessary to look at local school districts. This article uses the consolidated school system of the city of Charlotte and the county of Mecklenburg as a strategic case study to theorize more fully the corporate role in contemporary school reform. This article provides an integrative analysis of corporate participation in educational policy formation and implementation. First, this article presents details of the Charlotte case study. It then presents a typology of business involvement in school reform. Next, it applies the typology in a concrete fashion to two specific educational policy initiatives in the Charlotte-Mecklenburg Schools (CMS). Rather than merely describing the reforms and key actors, the study analyzes various events and actions in terms of for whom and in whose interests local schools are being reformed. This article uses the wider political economy and local history as the context for understanding the political struggles to reform public education in Charlotte.

This article's primary focus is on two reform initiatives sponsored by IBM. The first initiative was a planned complex of four technology-rich schools adjacent to the Charlotte IBM facility. Originally called the Education Village, but renamed the Governors' Village following a bitter controversy, the project was partially funded by a $2 million grant to the school district through IBM's Reinventing Education program. The second initiative was ProjectFirst, a collaboration between IBM and the Charlotte-Mecklenburg Education Foundation (CMEF). ProjectFirst, staffed with Americorps volunteers, was designed to bring computers and technology specialists into some of the district's 22 middle schools that did not have new magnet programs.

Public schools are a key site in the contemporary struggle between state and market forces. This intellectual and political struggle has created openings for greater business participation in public education. By analyzing the development of and disputes over two IBM reform initiatives in Charlotte, this case study offers insights into the potential benefits and dangers that accompany business efforts elsewhere in the nation. The relationship between IBM and CMS is instructive for understanding the larger ideological, political, and educational policy significance of corporate involvement in the school reform process more generally.[2]

Background

Since the early 1980's, representatives of business across the U.S. have renewed their focus on public schools. How can we best understand the intimate involvement of firms and their leaders in educational reform? The answer most likely lies in the larger contemporary corporate environment that has been likened to turbulent, white water rapids. There are three critical features of this fierce environment: (1) intense globalization that demands both national and international competitiveness; (2) the growing, changing diversity of the modern work force; and (3) the technological revolution that sets the stage for an information and communication-driven economy. Unable or unwilling to control the course of macro economic trends like globalization or the advance of technology, corporate leaders appear to have turned their attention to elements of the broader social environment that may be more susceptible to their influence than the business cycle--for example, the public schools that prepare their domestic workforce. By focusing the public's gaze upon schools, corporate leaders deflect attention from their own contributions to domestic and international economic and social problems.

During the 1980's, business leaders' assignment of blame to the flawed public school system for the crisis in international competitiveness gained widespread acceptance among parents,

school leaders, and policy-makers. As this new definition of the situation facing the U.S. became standard, corporate actors intensified their involvement in the development and implementation of the solutions to the problems they helped to define. American corporate leaders attributed their reinvigorated involvement to the need to resolve the crisis in the U.S. educational system that, from their perspective, was responsible for the crisis in U.S. productivity and international competitiveness.[3]

The country's educational failings enumerated in A Nation at Risk reflected this perspective, as did former Secretary of Education Lauro Cavazos who observed in 1989 that the U.S. faced three deficits--the budget, trade, and education deficits--and that the first two would only be remedied after the last one was resolved.[4] The Reagan and Bush administrations embraced both market principles and the precept that privatization is the antidote to flawed, inefficient governmental bureaucracies. Encouraged by these administrations, the business critique of public education acquired even greater legitimacy. It also found systematic institutional strength through advocacy organizations like the Business Roundtable, the Conference Board, and chambers of commerce across the nation.[5] Furthermore, business leaders indirectly shaped the course and direction of school reform through their pivotal role in the first National Education Summit in 1989.[6]

In the early 1990s, the business press began to report that the U.S. economy had regained its position as the most productive in the world. Such acknowledgements undercut the power of the business critique of the schools. Corporate leaders adjusted their construction of the problems with public education. Today, critics claim that public schools are failing to prepare students for future information age jobs that will require advanced knowledge of technology.

There is perhaps no clearer expression of current corporate influence on educational reform discourse than the second nationwide education summit held during March,1996, at IBM's Executive Conference Center in Palisades, New York. It highlighted the very public role of business leaders in setting agendas for school reform and in commanding the attention of state educational decision-makers.[7] Cosponsored by IBM, the National Governors' Association, and the Education Commission of the States, the two-day meeting was a response to IBM Chief Executive Officer Louis V. Gerstner, Jr.'s exhortation to governors and business leaders to join ongoing efforts to restructure American public education. On March 26 and 27, 1996, 43 governors, each joined by a CEO of his or her choice, met at IBM's Palisades conference center. The hosts were IBM's CEO, Louis V. Gerstner, Jr. and Governor Tommy Thompson of Wisconsin. The summit was envisioned as a bipartisan effort, so Secretary of Education Richard Riley attended and President Clinton addressed the group on the second day of the conference. In addition to the governors and their honored corporate guests, 30 education experts were invited as resource people.

There are disagreements over the appropriateness, importance, motivation, and results of corporate involvement in school restructuring whether at summits or in school partnerships. Some analysts and practitioners consider business leadership and involvement to be integral to reforming schools; others see corporate efforts as nothing more than feel-good gestures that do little systematically to reform public education. Other more critical observers contend that corporate philanthropy is a conscious venture into school reforms that will ultimately serve corporate long- and short-term interests more than improve public education. However, there is no disagreement that that corporate financial and symbolic capital have stimulated programmatic innovation and technical support for local and national reform efforts. And there is little doubt that current reform efforts are intimately linked to the widely accepted corporate critique of the schools. Executives representing their corporations or acting as individual citizens are actively involved at local, state, and national levels in agenda-setting, formulation of reform designs, and the implementation of reforms. It is indisputable that business leaders have more than just a place at the table where restructuring is planned.

Corporations and School Reform in Charlotte-Mecklenburg, North Carolina

Recent History of Reform Charlotte, North Carolina is a rapidly growing sunbelt city known for its landmark Swann v. Charlotte-Mecklenburg Schools decision wherein the Supreme Court upheld within-district busing as a remedy for segregated schooling.[8] Scholars and lay observers cite early and widespread business support for peaceful implementation of the plan as a crucial element in the creation of a community-wide consensus that desegregated education was good for the city. For almost 20 years, CMS served as model for other systems of how to provide equitable, quality, desegregated public education using busing and other tools. The district remains under court order today, although much of the reform effort during the last decade has altered the manner in which the system desegregates its schools.[9] In the 1996-1997 school year, the district had about 93,000 students who attend 130 schools scattered across a county-wide district that covers 528 square miles. The student population was 52.5 percent white and 41 percent black. The remaining 6.5 percent of students were from Asian, Hispanic, and American Indian backgrounds.

Beginning in the late 1980s, Charlotte corporate leaders ceased to be the vocal, public champions of the desegregated schools system that they had been for the previous 15 years.[10] They began publicly to express their dismay over the city's scarcity of qualified entry-level workers, a problem for which they largely blamed the schools. Critics paid little attention to the rapid economic development and low unemployment rate during the previous 13 years. Instead, looking to the schools as both the source of and solution to their problems, corporate leaders began to shape the direction of reform with the explicit purpose of improving schools in order to enhance both the business climate and the future workforce.[11] Since the late 1980s, corporate involvement in CMS has been both formal (i.e., membership on task forces and the school board) and informal (i.e., creating political action committees that identify and fund school board candidates compatible with the business agenda).

About this time, the school system began a program of reform in response to external pressure from corporate critics and dissatisfied parents, many of whom were new to the district. Disappointed with initial efforts, in 1991 the school board hired a new superintendent, John Murphy. Shortly after arriving in Charlotte, Superintendent Murphy convened a panel of experts to advise him on systemic reform.[12] After he released the panel's report to the public, the superintendent launched a number of reform initiatives using the panel's recommendations to argue for their necessity and wisdom. Interestingly, Murphy's most controversial and sweeping reform--the end of mandatory busing for desegregation--was not a subject of the panel's deliberations. On March 31, 1992, the Charlotte-Mecklenburg school board voted to replace its historic county-wide busing plan with a desegregation plan largely built around parental choice among magnet schools. Local corporate and civic leaders who they found their corporate recruitment efforts hampered by the district-wide busing plan and the nascent nationwide reputation of the school system as mediocre supported this reform vigorously. Many middle-class parents from all racial backgrounds did as well.[13]

It is impossible to understand the push for reform in Charlotte without considering the spreading distaste for desegregated schooling among the business leaders and middle-class families who relocated to Charlotte after 1985. While improving the quality of the entry-level workforce was the formal goal of business leaders engaged in early reform efforts, ending busing for desegregation was at the heart of their informal agenda. This goal was not publicly articulated until the mid-1990s when it became more politically acceptable to support neighborhood schools. Despite these pressures, in 1997 the school district still formally maintained its commitment to becoming the nation's premier urban integrated school system. However, in each of the first four years since the adoption of the magnet desegregation plan, the district became modestly more segregated.[14] Overall levels of desegregation stabilized during the fifth year of the magnet plan, 1996-1997, but levels of racial isolation intensified in a number of elementary schools in the central city and in prosperous white outlying suburban areas.

Until the last six months of his four and one half year tenure in CMS, Murphy enjoyed strong

personal and organizational support from local business leaders. The relationship between the business community and the new superintendent was mutually supportive. For example, when the Chamber of Commerce was in the process of recruiting Transamerica Reinsurance, Sealand, and Coltec for relocation to Charlotte, it dispatched Superintendent Murphy to the firms' headquarters. He assured employers that the local public schools were good and improving and that relocated employees purchasing homes in certain subdivisions could expect to attend nearby schools.

Two events are emblematic of business support for Murphy. In the summer of 1992 summer, the chairman and CEO of First Union, one of the nation's largest banks and most influential corporations in Charlotte, personally lobbied the school board on behalf of a substantial raise for Murphy, pacing the hallway outside the board room while personnel matters were discussed in executive session. At the end of Murphy's first year as superintendent, an anonymous group of corporate leaders collected $30,000 as a bonus. The school board did not permit the donors to give him their gift. Stephen S. Smith has detailed the consistent support Murphy received from business leaders well into the fourth year of his superintendency.[15]

Major corporate actors who have been critical of CMS's' performance also have been highly supportive of reform efforts. Executives have served on numerous task forces, donated their facilities for educational functions, given money and equipment to the schools, and supported the creation of an educational foundation (the Charlotte Mecklenburg Education Foundation [CMEF]). CMEF's goals include raising community awareness of educational matters and supporting educational innovations with small grants they called venture capital. Executives have supported bond issues and lobbied the legislature on behalf of the public schools. Corporations have loaned executives to the schools and to CMEF; they have adopted schools, and their employees have volunteered in classrooms. To varying degrees, CMS's school leaders cultivate the support of corporate leaders, socialize with them, and consult with key individuals before launching important initiatives.[16] The executive president of the Charlotte Chamber of Commerce characterizes this as "an aggressive partnership with the school system [his emphasis]." [17]

IBM has been one of the most prominent and active forces in national and CMS school reform during the last decade. IBM mid-level executives serve in a number of capacities on educational task forces and the executive in charge of the local facility was an active member of the Charlotte-Mecklenburg Education Foundation. The corporation's support of the local schools is most evident in two specific programs, ProjectFirst and the Education Village.

ProjectFirst In the early 1990s, IBM funded a ProjectFirst (Fostering Instruction Through Service and Technology) program in Charlotte, Atlanta, and New York. IBM's formal purpose was to assist schools in bringing technology into classroom instruction. In Charlotte, the IBM grant paid for computer hardware in ten nonmagnet middle schools and a limited training program for the technology specialists who were to bring computer expertise to classroom teachers. Charlotte's ProjectFirst personnel were Americorps volunteers.[18] The Charlotte-Mecklenburg Education Foundation received one of the first Americorps grants awarded by the federal government. CMS placed the Americorps volunteers in ten nonmagnet middle schools as technology specialists. The expectation was that technology specialists would help teachers integrate technology into their instruction.

The choice of these particular nonmagnet middle school as ProjectFirst sites involved more than an empirical assessment of which schools had the greatest need. The superintendent's choice of nonmagnet middle schools was also a response to criticism that new magnet schools contributed to the creation of a three-tiered system of resource-rich magnets; state-of-the-art new suburban schools; and underfunded, physically deteriorating inner city schools. Soon after the district replaced its mandatory desegregation plan with a voluntary one built around choice among magnet schools, it became apparent to many parents and other citizens that there were gross inequalities in resources available in magnets, newer schools, and older schools primarily in the urban core. They noted that the magnet strategy for reform left many schools in dire need of attention and additional resources. In the view of some critics, these inequities exacerbated

existing race and class disparities in opportunities to learn.[19] People complained that the magnet program, rather than addressing educational inequality, was exacerbating it by draining funds that could be spent for all school. School district personnel explained that the magnet program was funded initially by federal desegregation monies, not local funding intended for all schools. Critics responded that in the future, magnet schools' special needs would likely create financial speed bumps when federal funding ended.

In his presentation to the August, 1994 CMEF board meeting, the superintendent reported on his plans for improving technology in the schools. He mentioned a planned technology-rich educational complex (the formal announcement of the Education Village was a few weeks away), and described ProjectFirst. In introducing ProjectFirst, he intimated that his choice of nonmagnet middle schools as ProjectFirst sites was strategic. First, ProjectFirst would bring technology specialists into schools desperately deficient in technology. Second, it held the potential to mollify critics who charged that newly created magnet schools drained disproportionate shares of the district's resources and contributed to greater educational inequities.[20]

In fact, there was no way that ProjectFirst could balance the inequality of resources between magnet and nonmagnet middle schools. For example, in 1993 the science and technology magnet middle school, Erasmus, received $750,000 in resources. It was transformed from a highly segregated minority school into a racially integrated showcase magnet. A nonmagnet middle school, Westchester, received an Americorps volunteer and several IBM computers. Westchester and other nonmagnet Project First middle schools remained largely racially unbalanced and dilapidated. Furthermore, most of them could not use the ProjectFirst equipment effectively because of infrastructure problems such as wiring inadequate to support computers and personnel problems such as high teacher turnover and little teacher knowledge about computers and educational software.

CMEF staff touted IBM's ProjectFirst as an important, technology-based innovation that was making important contributions to staff development and students' learning in the nonmagnet middle schools where Americorps volunteers were placed. The validity of this claim remains unverified. CMEF repeatedly ignored the author's request to review ProjectFirst program evaluation documents. However, a series of interviews with Americorps volunteers, teachers, and principals from these nonmagnet middle schools, revealed a picture of ProjectFirst's educational value at odds with CMEF's account.

The characterization of Americorps volunteers as technology specialists in the nonmagnet middle schools accurately described neither their qualifications nor what they were able to accomplish throughout most of the first year the project was in schools. Apparently, Americorps volunteers were not screened for either knowledge of computers or experience with educational technology. Consequently, volunteers had uneven technological backgrounds. Some had degrees in computer science, some had business backgrounds, but none had direct experience or any training in teaching computer technology or computer skills to others. Most volunteers anticipated that any gaps in their backgrounds, skills, and knowledge would be filled during their two weekend training sessions with IBM. However, midway through their first official training in the IBM's New York headquarters, the volunteers realized that they were not going to get from IBM any information or training about either computers or how to teach about computers. Instead of technology training, they were given a quick overview of schooling in America. Concerned, they formed a self-study group during that weekend.

> Author : Did they [IBM] give you technology training?
> Americorps Volunteer: No. If you were to talk to any of the ten [original Americorps volunteers], and ask them what was the biggest disappointment [of the IBM training] it would have been there was no training in technology. . . .They didn't talk about how to integrate technology into the curriculum. And there even was no basic stuff like, "Here's the latest technology that we have, here's how the technology works. This is what a hard drive is. This is some of the old technology that you're going to run into. You may know a lot about the latest Macs, but do you know what to do when you go to [your

school]. You're going to see a whole bunch of old IBM PC's from 1984 and this is how to work with them." No, it was very disappointing. By Saturday night, when we realized there wasn't going to be anything, a group of us from New York and Charlotte got together and said, "let's just hold our own little training tonight." Two of the volunteers from New York sat down and went through the whole entire guts of a computer and told us about the internet.

After the training sessions in New York, Americorps volunteers returned to Charlotte where they continued learning about technology on their own. During the first six months in their schools, Americorps volunteers were caught in a difficult situation: dedicated to public service and to improving public education, they were initially ill-equipped to do the very job for which they were placed in the schools. A number of them worked in fear that they would be asked a question by an educator before they had had the opportunity to learn about it on their own. During the first year, when asked a computer-related question by a teacher, one volunteer would say "Let me get back to you on this" and would then spend the next few days furiously researching the question. By the time the volunteer gained some clarity about the answer, the teacher's need for it had generally disappeared. ProjectFirst's Americorps volunteers were by-and-large unable to provide the technological support teachers needed for a very long time. Some were never able to do so.

The observations of a principal newly assigned to a troubled middle school midway through the period of the IBM grant underscored the dubious educational value of ProjectFirst.

> I arrived at Dorsey Middle School ... and met with the Americorps volunteer to ascertain his responsibilities at the school. He had not been given "directions" from the previous principal who "did not believe in technology." There was little interest in technology by the previous principal and even less support and resources from CMS to provide needed hardware and upgrades to the [school] facility. The Americorps volunteer identified five computers purchased through the project, of which three computers were used by the administration. There was no accounting for these computers on school inventory lists. The volunteer had limited skills and knowledge in technology and even less in instruction. Teachers expressed concerns that the volunteer was unable to assist or to train them. Consequently, the school computer teacher "trained" the volunteer. The volunteer spent a great deal of time "finding" someone who could help him relative to technical knowledge and curricular issues. Americorps volunteers served several schools, hence there was limited availability of the volunteer at my school. Finally, the placement of Americorps volunteers in needy nonmagnet schools wasn't equivalent to a band-aid; it was a cotton swab.

Overall, Americorps volunteers encountered widespread resistance to the use of computers among teachers and principals in many other ProjectFirst nonmagnet middle schools. This is in part because educators with knowledge, skills, and appreciation for computer technology tend to self-select themselves into schools with the best equipment. When the CMS magnet program began, the schools with technology themes drew technologically-inclined educators from other schools across the district. Teaching staffs who remained in the ProjectFirst middle schools were therefore disproportionately computer illiterate or even computer phobic. Despite repeated opportunities for staff development during ProjectFirst's first year, most teachers in these schools resisted volunteers' efforts to teach them computer skills. Complicating matters, many of the ProjectFirst schools were older and physically unable to support the technology donated by IBM because their wiring was too antiquated to be updated.

The second year, most ProjectFirst Americorps volunteers were new, and the large turnover in the volunteers was matched by the teacher turnover in many of the ProjectFirst nonmagnet middle schools. Once teachers received training in technology, a significant number of them transferred to more desirable schools in the district. Consequently, what little ProjectFirst accomplished in the first year left the school with these teachers. A volunteer summed up this dilemma:

> What I see is that groundwork that you lay is not going to stay because at the nonmagnet schools there is such a high turnover rate, not only in teachers but

> also in principals--that they [Americorps volunteers] can come in there and build a foundation, but then next year, it's going to change because you have new people coming in and you've got others leaving [to go to better schools].

This description of ProjectFirst raises doubts that IBM's grant to CMS had measurable positive effects on either teachers or students. Certainly ProjectFirst did not contribute to measurable, systemic reform in CMS. ProjectFirst suffered from 1) initial poor planning, (2) implementation in schools ill-equipped to support additional computers, (3) gross differences in Americorps volunteers' technical and instructional skills, (4) a lack of understanding of schools as organizations on the part of its project director (a young assistant at the Charlotte-Mecklenburg Education Foundation), (5) an overestimation of the power of technology to solve entrenched, complex educational problems, (6) little to no long-term staff development in ProjectFirst schools, and (7) staff instability. Examination of the project illustrates the more general proposition that, at a minimum, without teacher professional development in integrating technology into the curriculum, faculty stability, and a physical plant that can sustain modern technology, computers themselves cannot improve teaching and learning.

The Charlotte-Mecklenburg Education Village The Education Village is a four-school complex (two elementary, one middle, and one high school) built on 200 acres of land adjacent to the IBM facility in the University Research Park (URP) near the University of North Carolina at Charlotte. A defining feature of the Education Village's original design is its designation as a workplace magnet. As designed, parents of children who attend Education Village schools are required to pledge to volunteer one hour per week in their children's school, and parents' employers are required to agree to this commitment of time. Classrooms are to have business mentors. When the four-school complex is completed, students will learn in multi-age classrooms, will experience a curriculum integrated from kindergarten through the twelfth grade, and will use state-of-the-art technology. Parents will be connected to the school with IBM's Wired for Learning educational software. Once admitted to a Village school, children will to be able to attend one of its schools until they graduate from high school. Their siblings will to be permitted to attend as well.[21] The construction of the actual schools is financed by $82 million in public bonds approved narrowly by citizens in the fall of 1995.

The Village's plans were designed by Superintendent Murphy and Stanley Litow, IBM's Vice President of Corporate Community Relations. While the Village was designed, the CMS school board in office --the entity with responsibility for policy decisions--never saw the details of any plans. (This fact became important in the political struggle that unfolded beginning in January, 1996). The school board learned of the Education Village when, in fall 1994, IBM's Gerstner and Superintendent Murphy announced to the community the award of a $2,000,000 IBM grant to support an Education Village, the first of ten Reinventing Education grants awarded nationally by the corporation.[22]

The development of Wired for Learning software utilizes over half of the IBM grant to CMS. In addition to software development, the grant supports a project manager, staff development, some network hardware, and computers in nearby libraries, the local science museum (Discovery Place), and the community center in the inner city neighborhood. IBM will retain the copyright for all software and intellectual property developed as part of the $2 million Reinventing Education grant awarded to the Charlotte schools.[23]

In 1993, CMS purchased the land for the Education Village from IBM for $6 million. The IBM site executive who participated in the negotiations described the sale of the land to the district at $32,000 per acre as "a straight business transaction of an IBM asset."[24] Both IBM and the Education Village sit in University Research Park, located in northern Mecklenburg County close to the University of North Carolina, Charlotte. URP is designed to replicate the renowned Research Triangle Park associated with Duke University, North Carolina State University, and University of North Carolina, Chapel Hill. This area is a rapidly growing, prosperous section of Mecklenburg County. Its adjacent neighborhoods--largely affluent and white-- tend toward

bucolic suburbs, rather than dense multiethnic urban neighborhoods. In addition to IBM, Verbatim, and First Union National Bank, a number of other high tech and financial institutions have major installations there.

The Education Village's original plans describe a partnership remarkably similar to the Downtown School, a workplace magnet in Winston-Salem, North Carolina. Gerstner, now the CEO and chairman of IBM, was the head of RJR Tobacco at the time the Downtown School was developed. The Downtown School was created with funding from the RJR Nabisco Foundation's Next Century Schools program in 1992.[25] The Downtown School's business partners are RJR Tobacco, RJR Tobacco International, and Planters LifeSavers. These firms give their employees who are parents of students in the magnet, one hour of released time per week to volunteer in the schools "to tie learning to the business perspective."[26] Children who attend the school are selected by lottery. Sixty percent of the seats are allocated to children of full-time regular employees of the three business partners and 40 percent of seats are available to inner city children who live in the immediate area.

The similarities between the Downtown School in Winston-Salem and the original plans for the Education Village are apparent. As outlined in a series of letters between Murphy and Litow, the Education Village was to be a partnership between IBM, other URP firms, and the school system. Murphy and Litow's original design allocated one third of the seats to children chosen by lottery from University Research Park firms (of the URP's approximately 12,000 employees, about 4,000 worked for IBM at that time), one third selected by lottery from adjacent subdivisions, and one third for children who live in a specific inner city neighborhood who are assigned to the school. In the original proposal for the Education Village, Superintendent Murphy wrote:

> a number of seats will be reserved for children of employees who work in the immediate area (our private sector partners) [parentheses in the original].[27]

In January, 1996 a new CMS school board took office. Its first task was to begin the search for a new superintendent (Murphy resigned effective the day the board took office); its second was to address pupil assignment for the coming 1996-1997 school year. Because the district still operates under the terms of the 1971 Swann ruling, any pupil assignment decisions must take into account issues of racial balance. Although no school board had ever seen or approved the Education Village plans, the first of the four schools in the Village was scheduled to open in fall, 1996, and decisions about its attendance area were therefore part of the January discussion of pupil assignment.

The apparent fait accompli laid at their feet frustrated the members of the newly elected school board. They viewed the creation of the Education Village--especially the designation of who could attend it--as an usurpation of their statutory rights to make pupil assignment decisions. Moreover, when the details of the Education Village's original attendance formula became public knowledge, an intense controversy erupted, polarizing numerous sectors of the Charlotte-Mecklenburg community. The original attendance formula appeared to privilege employees of certain firms in the small geographic area of the URP (those referred to by Murphy as "our private sector partners"), while shutting out a majority of families who worked in other firms elsewhere in the school district. This was especially aggravating to county residents because they had just passed a large bond in part to support the building of these much-touted technology-rich magnet schools. Reacting to both the public outcry and their own anger over being bypassed in the planning, the school board canceled the Education Village's attendance plan crafted by IBM's Litow and the former superintendent.

The stakes were high: IBM and its URP neighbors were facing the loss of a plum amenity if the original plan were amended---a third of the prized 5200 "workplace magnet" seats. Speaking confidentially, the CEO of a major employer in Charlotte described the Education Village as "a First Union[bank] - IBM-John Murphy deal." He elaborated:

> Let me put it this way, ... First Union had a tremendous desire to develop that area--tremendous desire to develop that area because they had already planned to come and build two

million square feet [in URP]. And they wanted a place where their employees could be happy. They could encourage employees to get out of downtown and go north, and plus they had--they were doing some development on the rest of their land and so they had tremendous interest in that new development. And so education was a critical element of that. And so to get that done, they worked their magic. That is what corporations do. My understanding is .... that they were investing in their amenity for their employees.

From the point of view of the IBM and other URP corporate leaders, the school system had given its word and was now breaking it. Explanations from the new school board that previous oral agreements between IBM and the superintendent were not legally binding under North Carolina law only angered corporate actors. During a conference call following the board's revision of the Education Village design, a furious Litow insisted: "That's not how businesses operate." In Charlotte, URP leaders believed that school board revisions to the Education Village plans amounted to "bureaucratic interference" with agreements previously concluded. The president of the URP association wrote in an editorial published in the Charlotte Observer

> These companies [which donate money to schools] do not need to have their motives questioned. They do not need to be hassled. They do not need to be set straight by public officials. They need to be persuaded to offer even more support. Like me, people in other businesses are watching the Education Village situation unfold. If our school board can't understand the grant's purpose, won't honor agreements and can't act graciously, other companies will think twice before extending new offers of support.[28]

On the other side of this controversy were many other parents and employers in the county-wide school district who were excluded from the lottery for seats by the original design because they neither worked in a URP firm nor lived in an adjacent subdivision. The public, which had just agreed to foot the bill for the four schools when they approved $82 million in bond money for the Education Village in November, 1995, was outraged. Sentiments expressed at several open forums during school board meetings, in letters to the editor of the Charlotte Observer, and local talk radio programs indicated that citizens across the political spectrum and from all racial and ethnic backgrounds believed that provisions to allow only URP employees to apply for the Education Village workplace portion of the seat lottery amounted to an unfair advantage for IBM and other URP firms. A local conservative activist captured the resentment of many:

> So, at a cost of $2 million, they [IBM] bought a seat for the children of their employees at the newest, highest (sic) technology school in the county. To put their $2 million in perspective, consider that the total Education Village will cost in the neighborhood of $80 to $100 million. That means that IBM is putting up 2 to 2.5 percent of the total cost of the village to buy one-third of the seats there for the children of their employees--not a bad investment on their part. [29]

To set the public record straight, the recently elected chairperson wrote an essay for the Charlotte Observer clarifying the school board's position. She argued that, while the board welcomed corporate partners and their resources, pupil assignment is the statutory responsibility of the school board and not within the purview of superintendents or business leaders.

> I remember a call from a particular stay-at-home mom. This woman rightfully considers herself a working mother. She lives next door to someone who works in the URP and has children. Under the original proposal, the stay-at-home mom wouldn't be allowed to apply for a slot in the Village [lottery], but her neighbor's children could attend. The inequity of this situation was being repeated all over the county.... The political reality was fast becoming apparent. Our citizens didn't want a school that favored employees of a select group of businesses.[30]

On January 29, 1996 the school board exercised its statutory authority and opened one third of the Education Village seats--the workplace magnet portion-- to all working families in the county with the proviso that each family commit one hour weekly of parental time (or its equivalent over the course of the school year) to school involvement and that employed parents obtain their employers' guarantee to cooperate. Reactions from URP companies, particularly IBM, were swift

and severe: IBM froze its grant to CMS pending further negotiations.

A month of intense exchanges of letters and face-to-face meetings between the school system representatives and IBM ended with an agreement that broadened the original workplace magnet theme so that it included stay-at-home parents, too. The Village became a parental involvement magnet. Eligibility to enter the lottery for the third of the seats allocated to the magnet theme portion of the Village was expanded to all families in the county. Parents of Governors' Village (the Education Village name was changed) students must sign a pledge to volunteer in their child's school an average of one hour per week or the equivalent over the course of the school year. Employed parents are required to obtain a statement of support from their employer. The revised plan also broadened the residential catchment area to include more suburbs in the northeast portion of the county. The final agreement stipulated that :

> IBM maintains the rights to any new products or intellectual property developed as result of the grant. The grant does not include future upgrades of the [yet-to-be-developed] software.[31]

IBM then released the $2 million in grant funds.

The head principal of the Governors' Village, Ann Clark, described how the grant was implemented: $500,000 was spent on training, a network server, and 240 IBM computers for community sites and teachers in the schools. Each principal is given a budget and can allocate these funds for furniture, fixtures, equipment, and technology in classrooms. The remaining $1,000,000 of the grant went to the development of the software which will link homes to schools. Eventually Wired for Learning software will permit parents to have round-the-clock access to their child's classroom via their home computer. Families with an IBM computer that has at least a 486 processor and Windows95 software can readily access their child's record. In the first year of the grant, families without home computers or with less powerful ones were be able to access their children's class home page from community centers and libraries. Families with Macintosh home computers gained access to their child's school through its home page on the internet.[32]

Reflecting on his colleagues' reaction to the Education Village imbroglio, the CEO of a Fortune 500 firm headquartered in Charlotte, speaking confidentially, confirmed that [URP] business leaders

> were very upset that the School Board got involved, if you will, you know. It is business. It was business. It really was not an issue of quality education, it was an issue of developing University Research Park. And making that thing come to life. Making that new [area] in the north part of town come to life. [Corporate executives] were saying, "You want my money, play the game my way. We have a deal here. A deal has been struck and you're messing with this deal. How dare you undo our deal!" It [the school board's action] wasn't as much of a threat, as an affront [to corporate leaders].... Bureaucrats got involved---the people who got involved, however, they were the people whose job it was to be there. And they [members of the school board] had been excluded.

Even after the settlement, the scent of corporate favoritism lingered over the community. School board member, George Dunlap, expressed the concerns of many parents and citizens:

> What's to say some other company won't come into the area and want to buy into public education? What do you say to them? Do you say no? I don't think so.[33]

A Typology of Corporate Involvement

The preceding section described two of IBM's school reform efforts in the Charlotte-Mecklenburg district. To assist in theorizing these efforts, Table 1 presents a typology of corporate involvement in educational reform. The table identifies by type who the corporate actors are, what the nature of their involvement is, and their motivations, and it illustrates each type with examples. The first four types range from the activities of large philanthropic organizations to those of individual volunteers acting directly or indirectly in concert with the school officials who provide actual educational services. The fifth type specifies how corporate leaders can become state actors with regard to education. The sixth one reflects educational services purchased from a for-profit firm by state actors who themselves no longer provide the service. Because there is very

little Type I and VI activity in Charlotte, the case study focused primarily upon the activities and motivations of Charlotte corporate actors in Types II, III, IV, and V.

- Type I: Large Independent Foundations Large foundations can be considered corporate actors because their boards of directors are selected from the highest ranks of the corporate world. Foundations conceptualize and fund broad reform initiatives consistent with its world view and political ideals. These initiatives often begin as support for a national task force or for empirical studies. Their empirical studies have been central to the nation's normative understanding of the condition of American schools. The Ford, Rockefeller, and Spencer Foundations are examples of this type.
- Type II: Corporate Leaders They serve in largely symbolic roles on high-profile national task forces or use the respect and attention they command to advocate for systemic reforms for reform. Corporate leaders at this level are able to commit their firm's resources to initiatives. Combined with their corporation's material and financial support, their bully pulpit inspires national, state, and local reform efforts. The activities of IBM's Louis Gerstner and BellSouth's John Clendenin at the Palisades summit illustrate this type of activity at the national level, and IBM and Gerstner's involvement in Charlotte represents this type at the local level.
- Type III: Mid-level Corporate Actors They do much of the actual day-to-day labor on high profile task forces that design educational reforms at the state and local levels, but they rarely are able to commit their firm's resources to reform. Typically these mid-level executives have some experience with education (sometimes they are former educators), and they act as links to local and state school personnel as reforms are implemented. In some cases, they may served as executives-on-loan to a school system or an education foundation, or they may serve as the corporation's educational expert. A key actor in Charlotte's Education Village is Stanley S. Litow, a former educator, now IBM's Vice President of Corporate Community Relations. [34]
- Type IV: Corporate Employees, Hourly Wage Earners Working in Ongoing Reform Programs These men and women regularly volunteer as tutors or mentors in particular schools. They contribute thousands of hours in classrooms working directly with teachers, aides, and students in programs designed by their corporate leaders. They are guest speakers in classrooms, or they spend their weekends hard-wiring schools for the internet, or coach student groups. Volunteers represent the majority of business people involved in the schools. Their dual status as parent and employee often underlies their attachment to particular schools.
- Type V: Business Leaders as Educational Decision-Makers Individual men and women appointed or elected to positions in federal education bureaucracies, or state and local education authorities hold formal state power. Usually they are appointed to these positions or run for office because of their credentials as business people with a perspective quite different from professional educators. School boards are the most common forum in which business leaders exercise authority as educational decision-makers.
- Type VI: For-profit Companies as Systemic Reform These firms sell their products (Channel One) or services (Educational Alternatives, Inc.[EAI], the Edison Project) as systemic reform. They are not the same as vendors who sell specific services (drivers education instruction, maintenance, bus driving) or products (paper, sports equipment, computers, blackboards) to school systems. For example, the Edison Project is a prospective chain of for-profit private schools that markets its educational services as a cheaper, more efficient, and more effective educational delivery system than the public schools. It currently operates 25 public schools across the nation either in partnership with districts or with local charters. EAI sells its management services to school systems on much the same basis.

---Table 1 about here---

The third column in Table 1 distinguishes among the varying forms of motivation underlying corporate involvement. Individuals or corporations may act for quite different reasons. And any involvement by corporate or individual actors may serve a number of purposes. To claim that mixed motivations exist is not meant to discount genuine eleemosynary impulses; altruism clearly stimulates much of what is done across the first four types of activities. Large foundations express

their civic responsibility to the nation at large through their gifts. Through their involvement and donations, business leaders and their firms express pride and commitment to the larger social good of the communities in which they are located. Many business people, as human actors, care passionately about children and hold almost reverential personal values about the importance of education for individual and social betterment. Many individual actors across all five types of corporate involvement in reform approach their education work with missionary zeal and dedication. Service to children as tutors and mentors or to the school reform process (as members of task forces) is often personally satisfying and genuinely altruistic.

It is no secret, however, that business involvement in school reform, especially at the highest levels, springs as well from no small amount of long- and short-term strategic self-interest. Philanthropic ends are self-evident: schools do obtain human, material, and symbolic support from benefactors. Other motivations are much less obvious. For example, corporate actors' short-term strategic self-interests are served when improved school-to-work education transfers training costs from the private to the public sector or when better schools generate better appraisals of local infrastructures by mobile capital seeking an area for relocation.

Long-term strategic self-interest can be both ideological and material. For example, when business leaders shape the terms of the national debate over the putative educational crisis facing this nation, they serve their term strategic interests. They influenced the social construction of the economic crisis of the last decade as largely the responsibility of the flawed public schools - - a view essentially unchallenged until recently when the obvious economic recovery made it difficult to blame schools for a crisis that no longer existed. And the new claim --that schools are failing to produce workers ready for future high-tech jobs--may be as questionable as their earlier charge. For example, skill requirements for future jobs are expected to be highly variable and it is not at all clear if most high-tech information-age jobs will require only highly skilled workers. Henry Levin points out that there is a general failure of vocational education, with its emphasis on specific skills, to have much of an impact on the workplace. Furthermore, evidence indicates no systematic shortage of appropriately skilled workers for most contemporary jobs. Rather, employers are dissatisfied with the work ethic of their less skilled employees. And technology cannot address that dissatisfaction.[35]

There is one crucial negative latent consequence of corporations' continuing attribution to the public schools of responsibility for whatever they dislike in the attitudes and training of their workforce. If the derisive characterization of public schools as "ineffectual government schools" is accepted as conventional wisdom, it lays the foundation for widespread penetration of public education by the the private sector. In addition, it advances the neoliberal position that all that is public is suspect, while that which is private or market-driven is good.[36]

Complexities of Corporate Involvement

Jerome L. Himmelstein observes that corporate philanthropy is, first of all, an economic act oriented to advance corporate strategic interests. But behavior Himmelstein terms corporate pragmatism has social and political dimensions as well, particularly with respect to the way corporations manage their relationships with other social institutions.[37] This complexity is also characteristic of the various dimensions of corporate involvement in public school reform. It is useful to specify these dimensions more fully in order to understand and theorize their contributions to systemic reforms in public education. Table 1 presented a typology of corporate involvement in school reform. The next section of this article will discuss the varieties of involvement that fall within each of the six types.

Gifts from Independent Philanthropic Foundation Without question, material support for reform from large independent philanthropic foundations has been critical both for stimulating reforms and in financing them across the nation. Without the material support of these foundations, it is unlikely that reform efforts would have gained broad-based constituencies or achieved the momentum they have since the 1980s. Large independent philanthropic foundations have played a minor role in Charlotte reform efforts.

Roundtables and Task Forces Local, state, and national business roundtables or task forces

raise questions, identify problems, and suggest (sometimes set) reform agendas. Their public advocacy of school reform brings visibility and legitimacy to the needs of school systems, students, and their families. The Committee for Economic Development, the National Alliance of Business, the Business Roundtable, and the Conference Board are examples of prominent national organizations of this type. National task forces and roundtables provide crucial political and factual scaffolding for national and local reforms. Local task forces play a similar role in laying groundwork for reform at the school district level. An example is the Charlotte Chamber of Commerce's 1987-1988 Task Force on Education and Jobs. This body's deliberations marked the critical moment when educational restructuring began in Charlotte. These activities fall within Type II and Type III.

Partnerships, Compacts, and Collaborations Local partnerships between a business and a specific school can take numerous forms. These typically involve adoption of a school or a school district; direct donations of funds, equipment, and other materials, and opportunities for employees to volunteer in schools as tutors or mentors. As of 1992, over 200,000 businesses in the U.S. had partnerships with over 40,000 elementary and secondary schools.[38] Currently, there are about 250 different business partnerships with some of Charlotte's approximately 130 schools. This number includes individual partnerships with specific schools or system wide initiatives. These activities also fall within Type II and Type III.

Education Foundations Education foundations are another form of corporate involvement in school reform. These organizations raise private money that is then given to fund specific innovative programs. The New American Schools Development Corporation's (NASDC) "break-the-mold" projects are examples of the reforms financed by such national level foundations. Charlotte participated briefly in the Hudson Institute's Modern Red School House, one of NASDC's first eleven projects. Local educational foundations are nonprofit organizations which raise venture capital to support local innovations. Representatives of the most powerful businesses typically sit on their boards. Local education foundations such as the Charlotte-Mecklenburg Education Foundation serve a symbolic function as well in that the existence of these and their prestigious boards of directors lend legitimacy and status to local public education. They support various activities such as summer institutes for teachers, grants to teachers for innovative course development, or the purchase of equipment for specific schools. Increasingly, many have broadened their scope to focus upon governance issues. For example, a number of education foundations have become involved in non-partisan civic actions in support of school board elections.[39] These activities fall within Type II and Type III.

Business-Oriented Consultants A national cadre of consultants with a neoliberal economic perspective and long-standing connections to corporate America participate in reforms efforts often as support personnel. Many are employed by conservative think tanks where they generate position papers that are then disseminated widely. They also serve as consultants to educational organizations where they help plan, design, and implement reforms. Their activities fall also within Type II and Type III..

Denis P. Doyle is an example of a business-oriented consultant. Through his writing and consulting, he serves as an intermediary between corporate actors on the one hand and educational practitioners on the other. Widely published in the business and education popular press, he works with school districts, business task forces, think tanks, and conservative foundations. He has co-authored two books about the necessity of corporate involvement and leadership in school restructuring. Doyle served as a consultant to the authors of the education chapter of the Heritage Foundation's Congressional briefing book for new members[40], and Doyle was one of several dozen experts who joined the governors and business leaders in Palisades, New York in 1996.

In many important ways, school reforms initiated during the tenure of John Murphy were shaped by Doyle. He consulted extensively in Charlotte during the months before John Murphy became superintendent, and during the first few years of Murphy's tenure in CMS. (Between January, 1991 and the end of 1995, he received compensation as a consultant to the Charlotte-

Mecklenburg schools 26 times.) [41] Doyle helped to write the district's NASDC grant proposal (Charlotte-Mecklenburg Schools was one of the original districts participating in the Hudson Institute's Modern Red School House where Doyle was a research fellow), and he participated in the World Class Panel of educational experts convened by Superintendent Murphy to advise him on reform. Doyle developed the district's grant proposal to the RJR Foundation's Next Century Schools. At the time, Doyle was a member of the board of the RJR Foundation.[42] When in 1996 Murphy became a consultant to Chicago schools' CEO, Paul Vallas, Doyle collaborated again with Murphy.[43]

Volunteers This variety of involvement occurs in Types II, III, and IV. Most volunteers come from the ranks of corporate workers, not leaders. They may be hourly blue collar workers who regularly volunteer as tutors or mentors in particular schools or specialists who lecture students about their own jobs. Many times they are parents whose employers encourage them to work regularly with teachers, aides, and other students in their child's classrooms. In 1996, 3300 employees from 250 companies volunteered 52,000 hours in CMS.[44] These Type IV volunteers represent the majority of all business workers involved in the schools. Type III mid-level executives and small business owners who serve on task forces or work with local educational collaborations or partnerships are volunteers, too. Type II corporate leaders who serve on high profile national task forces or local foundations are also in some respects volunteers.

Business Leaders as Educational Decision-Makers Business leaders often serve as formal state actors in federal, state, and local educational bureaucracies. This form of involvement is unique to Type V. The former CEO of Xerox, David Kearns, served as the Deputy Secretary of Education during the Bush administration. Thereafter, he took the helm of NASDC. Another example, the five-person Chicago School Finance Authority composed of businessmen and attorneys, from 1979 to 1995 held statutory power to oversee school finances and approve all major budgetary decisions.[45] More often, corporate leaders serve on local school boards where they are able to have direct influence on educational reform. An extensive literature has documented the continued presence and influence of business leaders on school boards since George Counts[46] first demonstrated this in the early part of this century.

Business influence on school boards is informal as well. Bishop George Battle, the former chairman of CMS's board of education, illustrated this in remarks he made at a dinner honoring Bill Lee, the late Chairman of Charlotte-based Duke Energy Corporation. Battle joked that, "Some of you thought I was chairman of the school board, while Bill Lee was probably the chair." Another member of the Charlotte school board commented that the downtown business interests "really sort of infiltrated the Board of Education so that we sometimes behave like a little Chamber of Commerce." [47]

Whether what is good for business is good for schools is both an empirical and ethical question. Both reforms discussed in this article illustrate how a single initiative may serve a number of purposes. ProjectFirst and the Education Village simultaneously advanced the philanthropic, strategic self-interest, and symbolic ends of its corporate sponsors. The examples also reveal how corporate involvement can have unanticipated negative consequences for the school system and the community at large. The highlights of this conceptual approach to understanding corporate involvement in Charlotte's school reform are summarized in Table 2.

---Table 2 about here---

As is evident in Charlotte, business involvement offers many benefits while it poses real dangers for public education. The material, human, political and symbolic resources brought to public education are consequential. A number of observers believe that without the support of the corporate sector, public school reform movement would stagnate. At the same time, some aspects of the broader corporate reform agenda and its implementation bring a host of contradictions and raise questions about equity, fairness, accountability, and the wisdom of the reform trajectory implicit in certain policy choices. The blurry line between strategic self-interest and eleemosynary impulses makes it difficult to distinguish potential dangers from valuable benefits.The following

sections will attempt to make that distinction by delineating the potential benefits and dangers posed by corporate involvement in school reform.

Benefits of Business Involvement

Resources Corporate leaders have shared some of their firms' enormous material resources with large numbers of schools and entire districts. Philanthropy takes the form of individual gifts (like those of Walter Annenberg who gave millions to NASDC and to the Chicago public schools), or corporate gifts either as direct grants to schools or through business/education foundations. Donations of financial capital and land have provided needed resources to many schools and districts. So, too, have material donations like computers and the human capital made available to selected schools in the form of employee volunteers, tutors, pro bono technical assistance, and mentors who volunteer in schools on company time. Nevertheless, economist Lewis C. Solmon, one of the educational resource persons who attended IBM's 1996 National Education Summit, estimates only six percent of the total technology in the nation's schools has been donated by the private sector.[48] Some observers point to the financial speed bumps that lie ahead when current technology becomes outdated and school systems, having committed to a particular platform or software program, are required to upgrade. For example, future upgrades of Wired for Learning were specifically excluded from the finalized Reinventing Education grant to CMS.

Symbolic Capital The high profile of corporate leaders in local and national reform efforts raises the public's awareness of educational reform needs and helps to place education at the center of public discourse regarding the welfare of the nation, of states, and of local communities. In the case of urban districts surrounded by separate suburban systems to which many middle class families escaped, business serves as a visible constituency in support of large urban public schools. Their advocacy in support of the public schools can fill the vacuum left by the flight of the middle class to the suburbs.

In certain large cities with corrupt and inefficient bureaucracies, business groups have at times aided school reformers by serving on task forces, conducting management and financial audits, and fighting long-established but educationally dubious practices that are entrenched either in administrative decisions and/or some union contracts. As Elizabeth L. Useem notes, often it is difficult for reformers to engage in struggles with teacher unions and educational bureaucracies but with business leaders as allies, reformers' chances of initiating reform are enhanced.[49] Useem's observation, however, says nothing about the direction, utility, equity, or value of a particular reform or set of reforms. Contemporary Chicago is a case in point.

Welfare of Children and Families Corporate actors have placed on the reform table a host of broader issues pivotal to human learning and to successful school reform. In conjunction with renewed attention to public education, the related issues of early childhood education and the health and welfare of children and their families have become, by necessity, issues of legitimate public discourse. The CED's widely disseminated reports illustrate how advocacy legitimates public policy that attend to the needs of schools, students, and their families.[50] The Annie E. Casey and W. T. Grant foundation reports have been instrumental in identifying poverty and its attendant social dislocations as barriers to school success. Their reports brought widespread attention and support at the state levels for early childhood education, vaccination, and nutrition, and to parenting education as concomitant needs that must be addressed if schools are to be successfully reformed.

Transition from School-to-Work Business leaders' insistence that secondary schools must provide better prepared entry-level workers has resulted in renewed attention to the school-to-work transition for noncollege-bound youth, an area many analysts describe as frequently slighted by educators.[51] Until recently, the post-graduation focus of secondary schools was on college preparation and neglected other avenues. Business complaints about the schools' failure to prepare the entry-level workforce have helped to push schools to reexamine, reinvigorate, and renew their school-to-work education programs. Today, there are cooperative efforts between local employers, local schools, and state departments of employment to build the pathways from school

to work in many communities.

The Charlotte-Mecklenburg School system and a group of business leaders from small and medium firms have spent the last two years developing crucial linkages between the workplace and the schools. Their activities include a coordinating body named the School-to-Career Partnership; a planning task force for a prospective technical high school; the sponsorship of internships, apprenticeships, job-shadowing, and the mentoring of youngsters interested in certain careers; and several industry-specific training programs in certain schools (For example, one program trains Novell network administrators). The network of business actors, typically those characterized as Type IV in Table 1, serve as a broad base of support, information, and resources for CMS's efforts to enhance the programmatic offerings available to secondary students. For the youths who will not go directly to college, the results of the network's activities are designed to serve as the bridge from school to post-secondary work force participation.

Support for Parental Involvement Corporations that encourage their employees to participate on company time in their children's schools provide an important opportunity for schools. Employees in these firms suffer fewer conflicts between their job, and their parental responsibilities when they must attend a parent-teacher conference or want to volunteer in their child's school. By establishing a formal mechanism whereby parents can participate in their children's schools, corporations support family involvement in education.

Dangers of Business Involvement

While the possibilities for positive contributions by business are usually easy to see, any potential dangers their involvement pose may not be visible until long after the contributions have been accepted uncritically. To complicate the matter more, corporate involvement in local reform can be at once an act both of altruism and of strategic self-interest. And that self-interest may, in the long run, harm schools and communities. It is important, then, to analyze why and when certain types of corporate involvement pose potential harms.

Romanticizing the Market The influence of business leaders in defining the nature of the problems facing education and in shaping the terms of the debate over their solutions leads to a growing public acceptance of market principles as an appropriate mode for school reform. This influence is perhaps most evident in statement by the most ardent advocates of school choice. It is fair to ask what articles of faith market romantics bring to the reform table when they are employed by public school systems as reform consultants. For example, Denis P. Doyle, whose extensive consulting work in CMS was described earlier, lamented the absence of any discussion of school choice at the 1996 National Education Summit at the IBM facility in New York.

> The alternative to command and control, is a market, whether it is purely private, as many of us would like it to be, or regulated, a mix of public and private providers. Markets have two overwhelmingly important characteristics. First, they are exquisitely calibrated communication systems, letting willing buyers and sellers know what good or service is available at what price in what quantity and quality, and letting each know what the other would be like; second, as Schumpeter declared, they permit "creative destruction." Inefficient, corrupt, and ineffectual organizations disappear. That's what markets are all about. That is why in a market the consumer is sovereign. To create a system of high academic standards, and schools which are safe and disciplined, there must be choice among schools.[52]

Doyle's highly idealistic description of how markets operate only loosely relates to the actual workings of the commodities, health care, real estate, airline, or higher education markets. Despite what market-reform romantics assert are the powers of the market to cure the ills of public schools, a host of empirical studies of choice in education challenge such unqualified claims. [53]

The point here is not to enumerate the perils of privatization to public education. A vast literature on this subject already exists. The purpose of this discussion is to juxtapose the arguments made by market-romantics with their location in the larger vista of school reformers. Early in the current round of the privatization movement, prominent choice advocate Chester A. Finn, Jr., admitted that claims that choice will bring about improved achievement "...spring more

from ratiocination and conviction than from airtight research." Six years later, Finn urged conservatives to "look into our own blind spots" in order to accomplish more sound educational reform. Two among the eleven blind spots that he identified are that " private schools are doing fine if only more children could attend them" and that "vouchers will fix it." [54]

Jeffrey Henig argues that the market metaphor functions in two ways to make privatization more palatable. First, it bridges the gap between this radical way of providing education by linking it to familiar market arrangements in other spheres of life. Second, the market metaphor assists advocates in bridging the gap between evidence and their prescription. Lacking an empirical basis on which to support their claims, advocates assume school choice, magnets, and vouchers will act "like free markets." [55] Public discourse that romanticizes the market and understates its troubled track record in school reform sets the stage for educational entrepreneurs, like the Edison Project and EAI, to step through the privatization door wedged open by local political skirmishes over school reform.

Missing Evaluations of Business Interventions Perhaps the most serious danger business interventions pose is that there are few if any systematic evaluations of these programs. In the absence of evaluations of business partnerships, programs, and gifts, there is very little reliable evidence that these, in fact, lead to positive school outcomes for students. Timpane and McNeill label such partnerships feel-good associations that do not reform schools. In their estimation, with only modest exceptions, there has been no widespread impact of business involvement on educational outcomes.[56] Many partnerships and collaborations may well be diversions of valuable resources, opportunities, and participants' time. In such cases, the feel-good aspect of the interventions conveys the patina of genuine reform while it distracts people from effectively addressing the core problems facing their schools. ProjectFirst is a prime example of an unevaluated feel-good reform that, to at least a limited degree, diverted public attention from systemic reforms needed by CMS nonmagnet middle schools.

Masking Business Contributions to Educational Problems Generous corporate donations of money, materials, and time to educational reforms can deflect attention from the far more serious damage done to education by corporate decisions to restructure the American economy. Since the recent economic expansion began, there has been a huge transfer of wealth from middle-class Americans to owners of capital assets. The owners of financial assets have been the overwhelming beneficiaries of the current economic expansion. At the same time, the wages of most working American families have stagnated. Furthermore, the spread between the pay of the typical worker and the chief executive has increased from 30-to-1 in the 1960s to more than 100-to-1 today. Often the actions of business leaders negatively affect the families of precisely those students who are most at-risk for educational failure and who are meant to benefit the most from corporate contributions to education.

Corporations indirectly contribute to educational problems when their policies undercut the economic health of entire communities or families. Certain demographic groups (poor racial and ethnic minorities) and geographic regions (inner cities, rural areas) continue to suffer from acute poverty despite the economic boom of the late 1990s. IBM's worldwide employment stood at 241,000 in 1997, down from a high of 406,000 in 1985. Gerstner presided over the layoff of 60,000 workers beginning in 1993. In Charlotte, IBM has reduced its total workforce from a high of about 5100 in the late 1980s, to 3200 by 1997. [57] The outright disappearance of jobs paying livable wages in inner cities and rural areas has had profoundly negative consequences for families there. Children of the Charlotte's downsized workers are at an increased risk for educational problems.

Business contributes to the economic problems facing communities and schools in other ways. Tax concessions that state and local governments often negotiate with corporations to induce them to remain in or relocate to a region often directly diminish for decades the tax bases that fund public education. Furthermore, such agreements often draw corporations and their employees to poorer regions where schools already suffer from inadequate funding. That influx of

employees and their children increases the population of school-age children at the same time that the companies' negotiations limit the revenues necessary for the schools to provide for both new and continuing students. Critics of these agreements note that tax abatements distort the marketplace and shift the tax burdens unfairly to homeowners and consumers. Many of the corporate leaders who criticize schools for being inadequate also negotiate away their company's share of the community property taxes. In Westchester County, New York, state and local officials offered IBM tax incentives and a $75 million low-interest loan in 1995 after the firm considered leaving its Armonk headquarters. [58]

State actors help deflect public scrutiny from corporate culpability for these problems when they effusively praise corporate philanthropy and uncritically accept business assessments of the public schools as seriously flawed. The effects are the same whether they are the unintended consequences of the reform process or due to the conscious agency of business leaders and state actors. Michael Useem observes that all business behavior is not an immutable product of a company's position or an economic calculus; corporate leaders are embedded in networks of social relationships.[59] Educational decision-makers and other state actors who privilege firms and their leaders by giving them more than merely a place at the educational reform table hinder the public's awareness of business contributions to educational problems.

Threats to Public Accountability in Public Education Geoff Whitty states that the ways in which education policies are made are as important as the specific substantive policies themselves.[60] In the case of the Education Village, by the time the reform initiative was announced, corporate actors had already shaped its terms. Because corporations are private entities, there is no legal imperative for public disclosure of their goals, processes, and resources. As corporate actors become more deeply involved in educational policy design and implementation, their means as well as policy ends must be scrutinized. For example, based on her analysis of corporatism in contemporary Chicago reform, Dorothy Shipps concludes that the informal influence of parent and community groups is no match for the massive influence of business. In Chicago, there is no public debate to determine if business values and practices are appropriate for the schools; business actors have no accountability to the public. Once citizens in Charlotte scrutinized the proposed Education Village, they found that what appeared to be a tidy integration of work, school, and family was a reform initiative shaped to a considerable degree by the strategic interests of a handful of private firms.

Conclusion

This case study of corporate involvement in school reform illustrates why one must neither universally praise corporate involvement in educational reform nor uniformly condemn it. Many instances of involvement are quite helpful; others are rather benign; but some are harmful to communities and their public schools. Each corporate initiative, program, or donation plots along continua of philanthropic altruism and strategic self-interest; latent and manifest consequences; and dangers and benefits to schools and communities. A single corporate reform initiative temporarily can be helpful to schools and beneficial to its sponsor's long-term interests in ways that ultimately undermine the mission of public education.

This article is also a cautionary tale. Its title, *International Business Machinations*, may be read as a metaphor for certain forms of corporate altruism that are potentially harmful to public schools. This article shows how long-term negative outcomes may be the unintended consequence of a reform process whose design and implementation are permeated by a corporate agenda. In other instances, such results appear to be the consequence of conscious agency on the part of business leaders who seek to maximize their self-interests.

It is possible that the contours of corporate involvement in Charlotte-Mecklenburg school reform have a distinctly regional quality. Southern states offer companies a freer hand. They permit them to operate with little pressure from unions and the generally more conservative political climate privileges business interests. The nature of the reform process in Charlotte and the specifics of the two initiatives discussed in this article may be the product of the overlapping social networks

and complimentary management styles shared by the key executives of top firms and the school system. Further case studies of corporate involvement in school reform elsewhere in the country may illuminate these possibilities.

Nevertheless, a number of general lessons about the relationships between corporations and schools emerge from this case study. First, although the schools are a key site in the contemporary struggle between state and market forces, events described here are not part of the larger national debate over the role of market forces and privatization in education. The dispute over access to the Education Village was actually a contest over who controlled the public schools and for whose benefit they exist. That battle also shows that there is no deterministic relationship between business efforts and reform outcomes, at least at the local level. Political contestation by citizen groups, parents, small firms, and elected members of the school board undermined attempts to use public education for what was perceived to be narrow private gains. A related point is that if the benefits of corporate involvement in educational restructuring are regarded as exclusive (as was true with the Education Village), rather than inclusive, a public consensus on reforms will remain elusive.

Finally, this case study reveals why public discourse about corporate behavior and the legitimate role of companies and their leaders in public life is important in a democratic society. The boundaries of business's role in the public sphere has been the subject of debate and struggle for much of this century.The actions of corporations and their leaders in Charlotte illustrate why this conversation remains vitally important for public education.

Endnotes

1. See for example, Barbara Finkelstein, "Dollars and Dreamers: Classrooms as Fictitious Message Systems, 1790-1930," History of Education Quarterly 31 (1991): 463-487; Michael Katz, The Irony of Early School Reform (Cambridge, MA: Harvard University Press,1968); Julia C. Wrigley, Class Politics and the Public Schools (New Brunswick, NJ: Rutgers University Press,1982).

2. An earlier version of this article was presented at the Urban Education Conference, Graduate School of Education and Information Science, University of California, Los Angeles, June 20-23, 1996. This research is supported by a grant to the author from the National Science Foundation (RED-9550763). Stephen Samuel Smith, Dorothy Shipps, Annelle Houk, and several anonymous reviewers made helpful and incisive comments on earlier versions of this essay. Susan Masse and Damien Heath provided technical assistance in transcribing interviews; and Anne Velasco, Angela Wadsworth, Debra Wakefield, and Matthew Walker assisted with research. Stella Nkomo offered valuable insights into the contemporary business climate and Virginia Gail Smith provided technical assistance. The author is grateful to all those who contributed to this article.

3. David Kearns and Denis P. Doyle, Winning the Brain Race: A Bold Plan to Make Our Schools Competitive (San Francisco,CA: ICS Press,1988); Carol. A. Ray and Roslyn. A. Mickelson, "Restructured Students for Restructured Work: The Economy, School Reform, and Noncollege-bound Youth" Sociology of Education 66 (1993):1-23.

4. Lauro Cavazos, Address to Charlotte Conference on Parental Choice.(Charlotte, North Carolina, November, 1989).

5. Kathryn L. Borman and K. Gallagher, "Business Involvement in School Reform: The Rise of the Business Roundtable" in Politics of Education Yearbook, ed. Catherine Marshall (London: Falmer, 1994).

6. S. R. Martin, "The 1989 Education Summit as a Defining Moment," in Changing American Education. Recapturing the Past or Inventing the Future? ed. Kathryn Borman and Nancy P. Greenman. (Albany: SUNY Press, 1994).

7. The summit's formal purpose focused upon putative needs of corporations to assure a better skilled workforce for future high-tech information-age jobs. Prior to the summit, participants received a two-inch thick briefing book containing commissioned essays and other materials on standards, technology, and topics related to systemic school reform (1996 National Education Summit, Presummit Briefing Materials, Armonk, NY.: IBM Corporation, 1996). The topics in the pre-summit briefing book reflected this formal goal and the preferred means to this end. The informal agenda was clear as well. According to Denis P. Doyle, one of the 30 resource persons at the summit,

> While the meeting's larger purpose was to reinvigorate the standards movement and highlight education technology, its real function was to solemnize the fact that the federal role in education is virtually at an end (Denis P. Doyle, "A Personal Report from the Education Summit: What Does It Mean for Education Reform?" The Heritage Lectures. (Washington, DC: The Heritage Foundation, 1996), p. 6.

8. Swann v. Charlotte-Mecklenburg Board of Education, 402 U.S. 1. (1971).

9. Roslyn A. Mickelson and Carol A. Ray, "Fear of Falling from Grace: The Middle Class, Downward Mobility, and School Desegregation" Research in Sociology of Education and Socialization 10 (1994): 207-238. This case study draws from a decade-long investigation of school reform in Charlotte-Mecklenburg. The data used in this article come from over 150 semi-structured interviews conducted by the author with corporate and civic elites and educational policy-makers in Charlotte and across the nation; interviews with educators and parents in Charlotte; field notes from observations of local task forces, community forums, and other public meetings about education; and official documents from business, government, and the schools. Direct quotations are attributed to an identified person, unless the individual specifically requested confidentiality. Initial drafts of this article were reviewed by local corporate executives, Americorps volunteers, citizen activists, and educators who were interviewed. Several activists

and educators who were not interviewed also read earlier versions.The author considered all comments in the subsequent revision of the article. The names of schools used her are pseudonyms.

10. ibid; Roslyn A. Mickelson, Carol A. Ray, and Stephen Samuel Smith. "The Growth Machine and the Politics of Urban Educational Reform: The Case of Charlotte, North Carolina," in Education in the Urban Context, ed. Nelly Stromquist (New York: Praeger, 1994).

11. Carol A. Ray and Roslyn A. Mickelson, "Restructured Students for Restructured Work: The Economy, School Reform, and Noncollege-bound Youth," Sociology of Education. 66 (1993): 1-23; Carol A. Ray and Roslyn A. Mickelson, "Corporate Leaders, Resistant Youth, and School Reform in Sunbelt City: The Political Economy of Education," Social Problems 37 (1990): 178-190.

12. The group of experts, christened the World Class Panel by the superintendent, met three times between December, 1991, and April, 1992. In May, 1992, the Chamber of Commerce and the Charlotte Observer sponsored a community-wide forum at the Charlotte Convention Center to present the findings of the panel. Members of the panel included Chester A. (Checker) Finn, Jr., William Bennett, Denis P. Doyle, James Comer, M.D. (although he did not participate until the May, 1992 public forum), Patricia A. Graham, Matina Horner, Donald Steward, and Ernest Boyer. James Kelly was the moderator. The author observed at three of the four meetings, analyzed tapes of all three panel deliberations, and conducted in-depth interviews about the panel experience with six of the eight panel participants in the cities in which they lived. An analysis of the interviews, the proceedings of the panel, and related CMS documents revealed that the panel's deliberations and final report were largely generic and symbolic and had little to do with specific reforms in Charlotte. Nonetheless, for many of the reform initiatives he proposed, Superintendent Murphy invoked the imprimatur of the World Class Panel to legitimize his actions. This was not true of his most controversial and far-reaching initiative: the recommendation to end mandatory busing and largely rely on parental choice among magnet schools for desegregation. That reform was designed and enacted during the panel's deliberations, yet it was never a topic of discussion. In fact, the author observed that during one luncheon conversation Murphy mentioned in passing to Ernest Boyer and Checker Finn that the district had ended its historic mandatory busing plan and replaced it with magnets.Finn leaned across the table and requested that Murphy, "Tell me more about it!" Panelists occasionally referred to school choice in general and all agreed with Patricia A. Graham's observation that with respect to school choice, "the devil is in the details."

13. Mickelson and Ray, 1994.

14. ibid; Allison Marantz, "Desegregation at Risk: Threat and Reaffirmation in Charlotte," in Dismantling Desegregation: The Quiet Reversal of Brown v. Board of Education., ed. Gary Orfield, Susan E. Eaton, and the Harvard Project on School Desegregation (New York: The New Press, 1996). In 1997, a white parent filed suit against the Charlotte-Mecklenburg Schools, claiming the district 's use of racial criteria in filling magnet school seats violated his daughter's civil rights. The father, an active member of Charlotteans for a Neighborhood School System (CFNSS), asked the Judge to declare the district unitary. In response, the original plaintiff in the 1971 Swann suit returned to court and requested that the Judge reactivate the inactive case. He argued that CMS continues to segregate many students in racially isolated schools. The defendant in both suits, CMS, has taken the position that the district has not yet achieved unitary because it has not been able to fully desegregate its 130 schools. The suit will be heard in April, 1999.

15. Stephen Samuel Smith, "Hugh Governs? Regime and Educational Policy in Charlotte, North Carolina," Journal of Urban Affairs.19 (1997):247-274.

16. ibid. Eric Smith, Interview with the Author (Charlotte, NC, July, 1997).

17. Carroll Gray, Remarks to Technical High School Task Force, (Charlotte, NC, July, 1997).

18. Americorps is President Clinton's volunteer service program. Volunteers work in their communities for two years. During their commitment they receive a minimal stipend but are entitled to grants for additional education once they complete their service.

19. Committee of 25, Resource Subcommittee Report to the Board of Education. (Charlotte,

NC: Charlotte-Mecklenburg Board of Education, April, 1994); Committee of 25. Pupil Assignment Subcommittee Report to the Board of Education (Charlotte, NC: Charlotte-Mecklenburg Board of Education, July, 1994).

20. John Murphy, Remarks to Charlotte-Mecklenburg Education Foundation board meeting. (Charlotte: August, 1994).

21. Litow, Letter to Superintendent John Murphy (September 12,1994); Litow, Letter to Superintendent John Murphy (April 5,1995); John Murphy, "The Charlotte-Mecklenburg Education Village. The Next Step in Reforming America's Schools." (Charlotte: Charlotte-Mecklenburg Schools, n.d.).

22. Stanley S. Litow, "IBM Introduces New Corporate Philanthropy Initiative; Charlotte Schools are First to Benefit." Press release (Armonk, NY: IBM Corporation, September 14,1994). IBM's Reinventing Education initiative is aimed at funding systemic reforms in public schools. In the program's first round of gifts, $2 million grants also were awarded to public schools in Philadelphia, Vermont, Chicago, Dallas, West Virginia, Broward County, Florida, San Francisco, San Jose, and Cincinnati.

23. Litow, (September 14, 1994).

24. Herbert Watkins, Interview with the author, (Charlotte, NC, August, 1995).

25. RJR Nabisco's Next Century Schools program provided $32 million to 43 schools nationwide (Gerstner). At the same time, RJR under Gerstner's stewardship, Camels became the most highly identified cigarette among children. The Joe Camel character helped RJR's share of the cigarette market rise from 1 to 32.8 percent, and this increase brought RJR an estimated $476 million in sales (see Derrick Jackson, "Louis Gerstner's Double Standards." Rethinking Schools. Summer: 13, 1996). These two actions illustrate how a firm or an executive can be motivated simultaneously by narrow self-interest (in this case, greater market share and greater profits) while it engages in what many consider to be child-centered philanthropy. Recent books by Alex Molnar (Giving Kids the Business: The Commercialization of America's Schools Boulder, CO: Westview, 1996) and Alfie Kohn (Education, Inc. Turning Learning into a Business Arlington Heights, IL: IRI Skylight Press,1997) describe and analyze these bipolar practices toward children among many other American corporations.

26. Winston-Salem/Forsyth County Schools. The Downtown School Information Sheet,(1996).

27. Murphy, The Charlotte-Mecklenburg Education Village, p. 3

28. Seddon "Rusty" Goode, Jr., "Don't Botch the Education Village." Charlotte Observer. (February, 29, 1996): p. A10.

29. Joe Miller, "Grants Are Not Free as IBM Has Shown the BOE" Conservative Views. NC Free Society Foundation. 3 (39 1996): p. 1.

30. Susan Burgess, "IBM and the Education Village: Setting the Record Straight" Charlotte Observer, (February 22, 1996): p. A7.

31. Stanley Litow, Letter to Acting Superintendent Dennis Williams. (March 13, 1996).

32. Ann Clark, Interview with the Author, (Charlotte, North Carolina, June, 1997).

33. John Minter, "IBM Grant Not Worth as Much as Taxpayers Put" Charlotte Post. (January 30, 1996): p.1A.

34. Clark. Litow declined to answer a written request for an interview.

35. Henry M. Levin, "Educational Performance Standards and the Economy." Educational Researcher 27 (1998): 4-12; Roslyn. A. Mickelson,"The Need to Build Bridges from School to Work... and Much, Much More." Advances in Educational Policy 3(1997): 158-189; National Center on Education and the Economy. America's Choice: High Skills or Low Wages! (Rochester, NY: NCEE, 1990);National Center on Educational Quality of the Workforce. Educational Quality of the Workforce. National Employer Survey. National Center on Educational Quality of the Workforce: (Philadelphia: University of Pennsylvania, 1995); Ruy Teixeira and Larry Mishel. "Whose Skill Shortage--Workers or Management?" Issues in Science and Technology (Summer 1993): 69-74.

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a similar vein, Sally Covington argues that the US policy agenda has been influenced by conservative philanthropies that choose certain ideas carefully and then target their giving accordingly. She quotes Richard Fink, of the Charles G. Koch and Claude R. Lambe Foundation, who said in his 1995 address at the Philanthropy Roundtable Conference, "As grantsmakers we can and should play a role in accelerating the process of change by gauging the climate for an idea, judging its stage of development, and then structuring our support accordingly" Sally Covington, Moving a Public Policy Agenda: The Strategic Philanthropy of Conservative Foundations (Washington, DC: National Committee for Responsive Philanthropy, 1997), p. 5.

37. Jerome L. Himmelstein, Looking Good and Doing Good.Corporate Philanthropy and Corporate Power (Bloomington, IN: Indiana University Press, 1997).

38. National Association of Partners in Education, Handbook of Education Partners (Alexandria Virginia: National Association of Partners in Education, 1995).

39. See Elizabeth. L. Useem, and R.C. Neild, "A Place at the Table: The Changing Role of Urban Public Education Funds," Paper presented at the meetings of the American Educational Research Association, New Orleans, (April, 1994). At times, however, an educational foundation's actions challenge this characterization of non-partisan civic-mindedness. For example, at its August, 1994 board meeting, the Charlotte-Mecklenburg Educational Foundation (CMEF) announced that one of its 1995 projects would be the identification of appropriate candidates to run for the next school board election when, for the first time, six of the nine seats on the board were to be selected by district rather than at-large.

A school board member described the fear the anticipated switch from at-large to school board election by district had engendered among the corporate elites:

> Well, now districts are scaring the Chamber of Commerce to death. And they are already really actively working on getting, recruiting their own candidates in the districts. And talk about throwing money at them, I think that you will see that a lot. . . . [The Chamber] is scared they are going to get a group of people out of the districts that they cannot control .... (quoted in Stephen Samuel Smith, "Education, Race, and Regime Change in Charlotte-Mecklenburg,"Paper presented at the annual meeting of the Urban Affairs Association. New York, New York, March. 1996).

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43. Dorothy Shipps, "The Invisible Hand: Big Business and Chicago School Reform," Teachers College Record .

44. Neil Mara, "Schools Weigh Business Impact" Charlotte Observer (March 10,1996), p. 1B

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46. George Counts, Social Composition of School Boards: A Study in the Social Control of Education (Chicago: University of Chicago Press,1927).

47. Peter Sola, "The Corporate Community on the Ideal-Business School Alliance: A Historical and Ethical Critique," in The New Servants of Power, ed C. M. Shea, E. Kahane, and P. Sola (New York: Praeger, 1990); "Insider," Charlotte Observer, (September 29, 1997), p.14D.

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53. Alexander W. Astin, "Educational 'Choice': Its Appeal May be Illusory" Sociology of Education 65 (1992): 255-60; Peter Cookson, School Choice. The Struggle for the Soul of American Education. (New Haven: Yale University Press, 1994.); Jay Greene, Paul E. Peterson, and Jiangtao Du, "Effectiveness of School Choice: The Milwaukee Experiment." Paper presented at the Annual Meeting of the American Educational Research Association, Chicago, IL, April,1997; Jeffrey Henig, Rethinking School Choice. Limits of the Market Metaphor (Princeton: Princeton University Press, 1994); Edith Rasell and Richard Rothstein, School Choice. Examining the Evidence (Washington, DC: Economic Policy Institute,1993); John Witte, A. Bailey, and C. Thorn, Fifth Year Report. Milwaukee Parental Choice Program, Robert LaFollette School of Public Policy (Madison: University of Wisconsin, 1996); Geoffrey Walford, "Educational Choice and Equity in Great Britain," Educational Policy 6 (1992): 123-38.; Douglas Willms and Frank. Echols, "The Scottish Experience of Parental Choice of Schools." Paper presented at "Choice: What Role in American Education?" (Economic Policy Institute, Washington, DC,1992).
54. Chester A. Finn, Jr., "The Choice Backlash." The National Review. (November 10, 1989): p. 30-32; Finn, "Blind spots on the Right" The National Review (September 25, 1995): 68-9.
55. Henig.
56. Michael Timpane and L. M. McNeill, Business Impact on Education and Child Development Reform (New York: Committee for Economic Development, 1991), p. 32.
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Table 1 Typology of Corporate Involvement in and Motivation for Educational Reform with Examples from Charlotte

Type	Nature of Involvement	Motivation	Examples in Charlotte *
Type I **Large, Independent Foundations**	donations of millions through foundation grants	altruism; shape nat'l debate; eleemosynary impulses; advance political goals	Carnegie, Pew, Ford, Lilly, Bush, Casey, Annenberg, MacArthur, Rockefeller, Spencer, Olin, Bradley, Johnson
Type II **Elite Corporate Heads, Individual Firms, Business Organizations**	donations of corporate resources; service on boards; chairing task forces; bully pulpit in support of school reform	strategic self-interest; shape national & local debate; advance symbolic values	IBM's Gerstner,Bell South's Clendenin; CED, Business Rndtble Conference Board, Charlotte Chamber of Commerce; Charlotte-Mecklenburg Education Foundation
Type III **Mid-level Executives, Small Business Owners**	service on task forces designing business/ education collaborations; exec on loan to schools; corporate exec in charge of educational division in local firm	altruism; improve schools in one's nation or community; career advance; personal dedication to children and education	IBM's Litow; Susan Q. Corporate VP for Community Relations; John Q. Small Entrepreneur; Leslie Q. Regional Manager
Type IV **Corporate Employees, Hourly Wage Earners Working in Ongoing Reform Program**	volunteers in classrooms tutors, mentors, guest speakers on regular or sporadic basis on company or own time	personal dedication to children and education; altruism; career advance	Americorps volunteers; Susan Q. and John Q. Public
Type V **Corporate Leader as State Actor**	elected or appointed status in federal bureaucracy, SEA, or LEA	altruism; improve schools in one's nation or community; shape direction of reform consistent with ideology; advance corporate long-term interests	Xerox's David Kearns as Dep Secy of Educ; Chicago School Finance Authority; corporate leader as school board member

Table 1 **Typology of Corporate Involvement in and Motivation for Educational Reform with Examples from Charlotte (continued)**

Type	Nature of Involvement	Motivation	Examples in Charlotte *
Type VI **For-profit Firms as Reform**	for-profit schools; management, products, and school services for purchase by schools	profit	Edison Project, EAI, Channel 1, vendors of educational products & services

*there is very little evidence of Type I and Type VI activity in Charlotte.

Table 2 **Conceptual Analysis of IBM's Involvement in Two Educational Reform Projects in Charlotte, NC**

	ProjectFirst (as implemented)	Education Village (as designed)
Philanthropic Activities & Their Manifest Functions	provides computers, etc, media specialists' for poorer middle schools; training for Americorps volunteers	$2 million grant for teacher, staff training, software development & hardware, project & staff salaries; engenders family involvement in schools
Strategic Self-interest (short and long term)	advances use of technology in schools, increases IBM share in educational computer market	R&D tax write-off for software development because it is a grant; software testing in real schools; creates market for future software; diverts public scrutiny from corporate restructuring's contribution to societal problems and indirectly to educational ills
Symbolic Value	strategic placement mollifies magnet critics who believe magnets get more resources than nonmagnet; enhances good corp citizen image; legitimizes business role in educational reform	legitimizes use of tech in education; promotes good corp citizen image; legitimizes business role in educational reform
Latent Consequence	undercuts movement for equitable resources in all CMS schools; privileges some students in some schools; masks resource inequities between magnets & older, nonmagnet schools	undermines community confidence in fairness of pupil assignment; privileges some firms & neighborhoods; masks corporate layoff of engineers, managers, which contradicts "skill deficit" claims; masks tax abatements; masks relatively small material corporate contribution in relation to enormous potential returns for donation, and to public tax investment